



MARYLAND

GRAIN & LIVESTOCK REPORT

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WEEKLY GRAIN COMMENTARY		Kevin McNew	Adjunct Professor, UMD-College Park	

Latest Round of USDA Reports Lead to Rally

The USDA released its monthly Supply/Demand and Crop Production estimates today with the reaction being positive across the board for the grain markets. The major market movers were revisions lower to corn ending stocks for 2012/13, increases to soybean export sales and crush, and lower global production figures for wheat. After all was said and done, corn was up 36 ¾ for DEC, soybeans up 26 on NOV, and wheat up 15 ½ on DEC CBOT. Let’s look at the numbers a little more closely.

For corn, the revision to the ending stocks for 2012/13 was driven by a lower carry-in number from the Quarterly Grain Stocks report and by a slight reduction in yield. Even though the report showed an increase of 300,000 harvested acres and an export sales reduction of 100 million bushels, it could not cover the steep cut to the projected ending stocks. Feed use and ethanol demand were left unchanged showing prices need to move higher to further curtail demand. December corn has not traded this high since September 17th.

Soybean supplies came in larger than analysts expected with yield being revised higher to 37.8 bushels per acre and production at 2.86 billion bushels. The harvested acres were revised an astonishing 1.1 million acres higher too. To counteract the supply upticks, the demand for soybeans was boosted for export sales and crushings by 210 million bushels and 40 million bushels respectively. After accounting for these revisions, ending stocks were only increased 15 million bushels to a tight 130 million bushels.

Wheat has traded in a range for the better part of three months and was, for the most part, a follower of the corn and soybean markets today. Global production did take a hit however; with Australia’s production losing 3 million metric tons, Russia’s harvest falling 1 million tons, and the European Union’s total dropping 800,000 metric tons. Domestically, feed and residual use remains robust and received a 95 million bushel uptick, while export sales reflected a slower pace losing 50 million bushels. All in all, ending stocks were projected lower by 44 million bushels.

The central idea to take away from this month’s Supply/Demand and Crop Production reports is that demand is still relatively strong giving the higher prices over the last couple of months. Especially, export demand for soybeans, feed and ethanol for corn, and feed for wheat. As we move through this marketing year, export demand for wheat has strong potential to pick up significantly as the short production internationally will become more and more apparent. South America is in the heart of planting what could be a record crop, so weather in the southern hemisphere will have to be monitored closely throughout our winter season.

CASH GRAIN PRICE – REGIONAL (\$/bu) DEALERS AVERAGE CASH QUOTES

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	9/25	10/2	9/25	10/2	9/25	10/2	9/25	10/2
Western, MD	7.25	7.20	14.99	14.31	8.45	8.20	5.00	4.50
Central, MD	7.34	----	15.43	----	8.88	----	----	----
Southern, MD	7.29	7.43	15.42	14.61	8.27	8.12	----	----
Upper E. Shore	7.60	7.74	15.95	14.84	8.42	8.27	----	----
Lower E. Shore	7.72	7.86	16.01	15.08	8.37	8.22	----	----

FORWARD CONTRACT PRICE – REGIONAL (\$/bu) HARVEST DELIVERY DEALER’S AVG. QUOTES

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	9/25	10/2	9/25	10/2	9/25	10/2	9/25	10/2
Western MD	----	----	----	----	----	----	----	----
Central MD	----	----	----	----	----	----	----	----
Southern MD	----	----	----	----	----	----	----	----
Upper E Shore	----	----	----	----	----	----	----	----
Lower E Shore	----	----	----	----	----	----	----	----

GRAIN FUTURES - CME Group - Settle - October 11, 2012 Quarter - cents/bushel)

Corn		Soybeans		Wheat		Soybean Meal ¹⁷	
DEC12	773’2	NOV12	1548’4	DEC12	886’0	OCT12	482.7
MAR13	773’2	JAN13	1548’4	MAR13	897’0	DEC12	472.2
MAY13	767’6	MAR13	1520’6	MAY13	897’6	JAN13	467.8
JLY13	760’4	MAY13	1478’2	JLY13	861’4	MAR13	454.2
SEP13	675’4	JLY13	1467’2	SEP13	864’2	MAY13	432.6
DEC13	646’0	AUG13	1444’6	DEC13	871’6	JLY13	426.9
MAR14	653’6	SEP13	1398’0	MAR14	878’0	AUG13	419.8
MAY14	659’2	NOV13	1353’4	MAY14	849’0	SEP13	405.3
JLY14	660’4	JAN14	1357’4	JLY14	814’0	OCT13	386.5
SEP14	610’0	MAR14	1357’4	SEP14	815’6	DEC13	385.1

HAY AND STRAW

New Holland, PA - October 8, 2012 - \$/ton

Alfalfa	Mixed Hay	Timothy	Grass	Straw	
190.00	75.00 – 460.00	145.00 – 315.00	90.00 – 280.00	155.00 – 220.00	

Westminster, MD – October 8, 2012 - \$/bale

Alfalfa	Alfalfa Mix	Timothy	Timothy Mix	Grass Mix	Straw
NA	4.10 – 4.20	3.80 – 5.90	3.40 – 3.50	1.70 – 4.90	1.95 – 3.20

POULTRY ^{2/}							
Negotiated price for truck lot of ready-to-cook, ice-pack, Grade A Fryers (\$/CWT) – Week Ending - October 13, 2012							
		Current Week		Prev. Week		Prev. Month	Prev. Year
N.Y. Weighted Avg.		81.57		81.64		81.38	62.50
12 City Composite		82.85		82.56		81.60	72.30
SHEEP & LAMBS - Westminster, MD – October 2, 2012 – (\$/CWT)				GOATS & KIDS – October 2, 2012			
Sheep	45.00 – 92.50	Lambs Under 50	120.00 – 147.50	Large		143.00 – 225.00	
		50 – 80 lbs	122.50 – 157.50	Medium		95.00 – 127.50	
		90 – 130 lbs	122.50 – 177.50	Kids		25.00 – 35.00	
HOGS & PIGS							
DIRECT MARKET HOGS - October 11, 2012 ^{2/}			MARKET HOGS - Westminster, MD – October 2, 2012				
*Base Price Range	Carcass Basis	Weighted	Butcher Hogs		Sows		
	Base 185 lb Hog	Average	#1 215 – 275 lbs	56.00 – 57.50	Heavyweights	NA	
Iowa, Minn	70.00 – 82.00	80.16	Heavyweights	55.50 – 56.50	Lightweights	NA	
Eastern Cornbelt	77.01 – 80.00	78.66			Boars		
* Base price is the price from which no discounts are subtracted and no premiums are added					Heavyweights	11.00 – 39.50	
					Lightweights	NA	
MARKET HOGS-Lancaster, New Holland & Vintage, PA - (\$/CWT) - October 8, 2012 ^{2/}							
Percent Lean	Weight	Price		45 - 49	220 – 270 lbs	56.00 – 58.00	
49 - 54	220 – 300 lbs	58.50 – 60.50			270 – 300 lbs	52.00 – 55.00	
	300 – 400 lbs	58.00 – 62.00			300 – 400 lbs	47.00 – 52.00	
FEEDER PIGS-Lancaster, New Holland & Vintage, PA-(\$/CWT) (US 1-2)-, October 1, 2012 Next Feeder Pig sale –Oct. 17, 2012 ^{2/}							
Weight	Price	Wt Avg Price		Weight	Price	Wt Avg Price	
30 – 40 lbs	75.00 – 90.00	83.33		60 – 70 lbs	75.00 – 80.00	78.27	
40 – 50 lbs	60.00 – 85.00	64.84					
50 – 60 lbs	65.00 – 75.00	72.29					
LIVESTOCK FUTURES - CME Group - Settle (CWT) – October 11, 2012							
LIVE CATTLE – FUTURES				LEAN HOGS – FUTURES			
OCT12	124.60	APR13	133.73	OCT12	82.33	APR13	90.13
DEC12	125.93	JUN13	130.60	DEC12	77.50	MAY13	98.25
FEB13	129.70	AUG13	130.60	FEB13	84.13	JUN13	101.25
STOCKER – FEEDER CATTLE – (\$/CWT)							
Winchester, VA – October 9, 2012 ^{2/}			Westminster, MD – October 2, 2012				
Steers	300 – 400 lbs	151.00 – 166.00	Steers	200 – 300 lbs		90.00 – 121.00	
	400 – 500 lbs	149.00 – 163.00		400 – 500 lbs		88.00 – 121.00	
	500 – 600 lbs	148.00 – 166.00		600 – 700 lbs		96.00 – 98.50	
	600 – 700 lbs	141.00 – 151.00		800 – 1000 lbs		104.00 – 104.50	
	700 – 800 lbs	121.00 – 125.00					
Heifers	300 – 400 lbs	126.00 – 138.00	Heifers	200 – 300 lbs		102.50 – 128.00	
	400 – 500 lbs	114.00 – 130.00		400 – 500 lbs		89.00 – 112.00	
	500 – 600 lbs	118.00 – 132.00		600 – 700 lbs		77.00 – 77.50	
	600 – 700 lbs	110.00 – 126.50		800 – 1000 lbs		NA	
	700 – 800 lbs	109.00 – 112.00					
SLAUGHTER CATTLE (\$/CWT)							
Westminster, MD – October 2, 2012							
Sltr. Cows			Fed Heifers				
Breakers	67.50 – 72.50		Fat	117.50 – 123.00			
Boners	59.50 – 65.00		Lean	109.00 – 114.50			
Thin/Slow	58.00 & Down						
Fed Steers			Holstein Bull Calves to Feed				
Fat	116.00 – 120.50		#1	109.50 – 117.50			
Lean	108.00 – 114.25		#2	85.00 – 88.00			
Select	106.00 – 107.50		#3	80.00 & Down			
Lancaster, New Holland & Vintage – October 11, 2012 ^{2/}							
Sltr. Steers:			Sltr. Heifers:				
Hi Ch & Pr 3-4	1350 – 1750 lbs	125.00 – 129.00	Hi Ch & Pr 3-4	1275 – 1475 lbs		119.00 – 122.00	
Choice 2-3	1175 – 1600 lbs	119.00 – 124.50	Choice 2-3	1065 – 1430 lbs		114.00 – 118.50	
Select 1-3	1075 – 1470 lbs	115.00 – 118.50	Select 2-3	1095 – 1300 lbs		111.00 – 111.50	
			Sltr. Cows:	Percent Lean		Avg. Dressing	
Sltr. Holsteins:			Premium White	65 – 75		74.00 – 76.00	
Hi Ch & Pr 2-4	1500 – 1650 lbs	105.00 – 107.00	Breakers	75 – 80		71.50 – 74.00	
Choice 2-3	1350 – 1650 lbs	99.00 – 103.50	Boners	80 – 85		75.50 – 77.50	
Select 2-3	1200 – 1550 lbs	91.00 – 97.50	Lean	88 – 90		67.00 – 71.50	

1/ Price Unit: Dollars and cents/ton (100 tons (2,000 lbs/ton))
2/ Source: USDA, AMS

Compiled by USDA, NASS, Maryland Field Office For more information about this report, call 410-841-5740 MARYLAND DEPARTMENT OF AGRICULTURE 50 Harry S Truman Parkway Annapolis, MD 21401	UNITED STATES DEPARTMENT OF AGRICULTURE NATIONAL AGRICULTURAL STATISTICS SERVICE MARYLAND FIELD OFFICE Barbara Rater.....Director Douglas Boline.....Deputy Director
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